

For Release: Friday, September 16, 2016

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Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at (www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm), and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

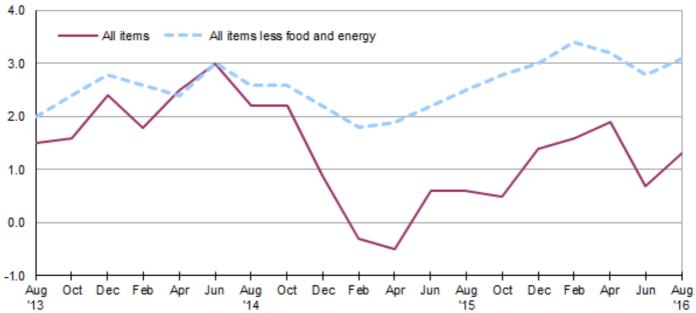
Consumer Price Index, Atlanta – August 2016 Area prices up 0.5 percent over the two months and 1.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Atlanta rose 0.5 percent over the July-August pricing period, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the all items less food and energy index advanced 1.0 percent. The energy index declined 2.6 percent and the food index edged down 0.2 percent during the July-August pricing period. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the all items CPI-U increased 1.3 percent. The index for all items less food and energy advanced 3.1 percent over the year reflecting price increases for shelter and medical care. (See <u>chart 1</u> and <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Atlanta, August 2013-August 2016





Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged down 0.2 percent during the July-August pricing period as food at home prices declined 0.5 percent. Prices for food away from home rose 0.3 percent over the two months.

Over the year, the food index decreased 1.2 percent, led by a 3.3-percent price decline in the food at home index. The food away from home index increased 1.7 percent since August 2015.

Energy

The energy index declined 2.6 percent over the two-month pricing period, led by a 6.6-percent decrease in motor fuel prices. Prices for electricity inched down 0.1 percent, while prices for utility (piped) gas service increased 4.0 percent over the July-August pricing period.

Over the year, the energy index decreased 8.8 percent, reflecting a 16.3-percent drop in motor fuel prices. Since August 2015, electricity prices declined 4.0 percent, while prices for utility (piped) gas service inched up 0.1 percent.

All items less food and energy

The index for all items less food and energy increased 1.0 percent during the July-August pricing period as prices increased for several indexes including medical care (4.2 percent) and shelter (0.8 percent). The recreation index declined 2.3 percent over the two months.

From August 2015 to August 2016, the index for all items less food and energy advanced 3.1 percent, led by increases for shelter (4.5 percent) and medical care (9.5 percent).

Table A. Atlanta CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

	2012		2013		2014		2015		2016	
Month	2-month	12-month								
February	1.0	2.4	1.9	2.1	1.3	1.8	0.0	-0.3	0.3	1.6
April		1.8	0.1	1.1	0.8	2.5	0.7	-0.5	1.0	1.9
June	0.6	1.5	1.0	1.4	1.5	3.0	2.5	0.6	1.3	0.7
August	0.6	1.5	0.7	1.5	-0.1	2.2	-0.1	0.6	0.5	1.3
October	-1.2	1.8	-1.0	1.6	-1.1	2.2	-1.2	0.5		
December	-0.9	1.2	-0.2	2.4	-1.5	0.9	-0.6	1.4		

The Consumer Price Index for September 2016 is scheduled to be released on Tuesday, October 18, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total

population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Atlanta**, **Ga.** metropolitan area covered in this release is comprised of Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, Pickens, Rockdale, Spalding, and Walton Counties in Georgia.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsAtlanta, GA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-		
Item and Group	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016
Expenditure category						
All Items	226.724	-	227.858	1.3	0.5	-
All items (1967=100)	683.730	-	687.150	-	-	-
Food and beverages	249.074	-	248.615	-1.0	-0.2	-
Food	259.550	-	259.148	-1.2	-0.2	-
Food at home	245.722	247.194	244.460	-3.3	-0.5	-1.1
Food away from home	282.231	-	283.111	1.7	0.3	-
Alcoholic beverages	155.572	-	154.605	2.9	-0.6	-
Housing	226.330	-	228.133	3.1	0.8	-
Shelter	242.676	242.974	244.507	4.5	0.8	0.6
Rent of primary residence (1)	246.947	248.368	249.868	5.3	1.2	0.6
Owners' equiv. rent of residences (1) (2)	235.663	236.939	238.676	3.9	1.3	0.7
Owners' equiv. rent of primary residence (1) (2)	235.663	236.939	238.676	3.9	1.3	0.7
Fuels and utilities	314.470	-	316.055	-1.6	0.5	-
Household energy	278.125	284.983	280.140	-2.4	0.7	-1.7
Energy Services (1)	277.111	283.997	279.200	-2.4	0.8	-1.7
Electricity ⁽¹⁾	261.428	266.096	261,266	-4.0	-0.1	-1.8
Utility (piped) gas service (1)	242.616	255.495	252.432	0.1	4.0	-1.2
Household furnishings and operations	121.664	_	123.876	-0.1	1.8	_
Apparel	135.337	_	139.128	-3.1	2.8	_
Transportation	190.156	_	187.445	-2.9	-1.4	_
Private transportation.	188.623	_1	186.079	-3.6	-1.3	_
Motor fuel	202.093	185.259	188.707	-16.3	-6.6	1.9
Gasoline (all types).	201.026	184.060	187.534	-16.3	-6.7	1.9
Unleaded regular ⁽³⁾	196.984	180.072	183.611	-16.6	-6.8	2.0
Unleaded midgrade (3) (4)	248.834	229.040	233.761	-14.7	-6.1	2.0
Unleaded premium (3)	217.490	201.702	203.998	-14.7	-6.2	1.1
•	432.408	201.702	450.575	9.5	4.2	1.1
Medical CareRecreation (5)	432.408 87.459	-	85.490	-2.3	-2.3	_
Education and communication (5)	134.741	-	136.372	I	I	_
Other goods and services.	365.660	-	362.838	0.9 -0.5	1.2 -0.8	_
	303.000	-	302.636	-0.5	-0.8	-
Commodity and service group						
All Items	226.724	-	227.858	1.3	0.5	-
Commodities	175.819	-	176.044	-2.0	0.1	-
Commodities less food & beverages	143.068	-	143.577	-2.3	0.4	-
Nondurables less food & beverages	174.982	-	175.597	-4.0	0.4	-
Durables	109.959	-	110.356	-0.2	0.4	-
Services	274.839	-	276.786	3.1	0.7	-
Special aggregate indexes						
All items less medical care	215.772	-	216.126	0.6	0.2	-
All items less shelter	224.374	-	225.209	-0.4	0.4	-
Commodities less food	143.167	-	143.614	-2.2	0.3	
Nondurables	207.119	-	207.243	-2.7	0.1	-
Nondurables less food	172.315	-	172.804	-3.7	0.3	
Services less rent of shelter (2)	327.849	-	329.985	1.5	0.7	
Services less medical care services	258.372	-	259.774	2.8	0.5	-
Energy	217.240	212.116	211.680	-8.8	-2.6	-0.2

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsAtlanta, GA (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016	
All items less energy			229.481 225.232	l	0.8 1.0	-	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.

⁻ Data not available.